

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA
THIRD DIVISION**

In Re:

Bky. Case No. 00-32486-GFK

Murray R. Klane,

**OBJECTION TO SALE OF
PERFORMANCE FEE**

Debtor,

TO: Timothy D. Moratzka, Trustee, and United States Trustee:

1. Mark J. Glotter, being a partner of Desert Ventures Partners, and having acquired an interest in a portion of the Performance Fee in and to Desert Ventures Partners granted under Section 8.04 of the Desert Ventures Partners Partnership Agreement dated December 2, 1993 (the “**Performance Fee**”) objects to the proposed sale of the residue in the Performance Fee retained by the Trustee as proposed in the Notice of Sale.

2. This Objection is filed under Bankruptcy Rule 6004 and 9014 and Local Rule 6004-1.

3. Under the terms of the original sale by the Trustee to Mark J. Glotter, the Estate obtained a contingency recovery whereby if the Performance Fee became payable, the first \$320,000 would be payable to Mark J. Glotter and any receipts in excess of \$320,000 from the Performance Fee would be split 50/50 between Mark J. Glotter and the Bankruptcy Estate.

4. At the time of the sale, the Trustee represented to Mark J. Glotter that he could approach the Trustee in a year from the sale to seek to purchase the contingency interest of the Estate. Without having given Mark J. Glotter the opportunity to purchase the contingency interest of the Estate, the Trustee now proposes to sell its interest for the sum of \$50,000 without seeking alternative bids. Mark J. Glotter should be given the opportunity to submit a competitive bid in excess of the proposed sale price.

5. Mark J. Glotter requests the Court direct the Trustee to allow Mark J. Glotter, and other parties, to submit competitive bids to acquire the contingent interest of the Bankruptcy Estate in the Performance Fee upon such terms and conditions as appropriate, but in no event, less than \$50,000.

PETERSON, FRAM & BERGMAN
Professional Association

DATED: _____

_____/e/ Daniel W. Fram
Daniel W. Fram
Attorney for Mark J. Glotter
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St. Paul, MN 55101
(651) 291-8955
Attorney License No. 31409

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**UNSWORN DECLARATION
FOR PROOF OF SERVICE**

Debtor,

Daniel W. Fram, an attorney with Peterson, Fram & Bergman, Professional Association, Attorneys at Law, licensed to practice law in this Court, with office address of 50 East Fifth Street, Suite 300, St. Paul, Minnesota, 55101, declares that on the 5th day of August, 2004, I served the annexed Objection to Sale of Performance Fee on the parties referred to below by mailing to each of them a copy thereof by enclosing the same in an envelope with first class postage prepaid, and depositing same in the post office at St. Paul, Minnesota, addressed to each of them as follows:

United States Trustee
1015 U.S. Courthouse
300 South Fourth Street
Minneapolis, MN 55415

Timothy D. Moratzka, Esq.
1400 AT&T Tower
901 Marquette Avenue
Minneapolis, MN 55402-2859

And I declare under penalty of perjury, that the foregoing Unsworn Declaration for Proof of Service consisting of 1 page is true and correct.

Dated: 8/5/04

Signed: /e/ Daniel W. Fram